

SUPPORTING REGULATIONS FOR THE TIMELY IMPLEMENTATION OF GRID PROJECTS

MARCH 2017

ENERGY INFRASTRUCTURE FORUM, 1–2 JUNE 2017

HANDOUT

The energy transition towards a fully decarbonised power sector is ongoing; Europe can meet a large share of its power needs from its own natural renewable resources.

The energy transition towards a fully decarbonised power sector is ongoing; Europe can meet a large share of its power needs from its own natural renewable resources. The most efficient and cost-effective way to further grow renewable energy sources (RES) is by a timely increase in grid capacity through upgrading and – where necessary – expanding the grid to suit new generation – including distributed generation – and demand structures. Yet, deployment of new grid infrastructure is in several regions confronted with fierce public opposition and behind schedule. The joint action of policy makers, Transmission System Operators (TSOs), regulators and civil society is necessary to support the timely implementation of important projects and thus meet energy and climate targets.

To address public opposition, efforts must be placed in engaging with local populations, to cooperatively develop approaches to protect nature and address people's concerns and needs. A clear and robust regulatory framework is needed to enable project developers to solicit feedback from the public in a constructive and dynamic manner to deliver "better projects" on the ground.

Whereas a strong legal framework is already in place to facilitate nature protection, the framework to maintain participatory processes and develop more legitimate and acceptable projects is still in early stages. We believe that implementing better projects with locally tailored, transparent and participatory planning, fostered by sound communication, will minimise impacts and reduce potential conflicts and risks of failure. To achieve these objectives, we ask policy makers for a regulatory framework that includes the following elements:

- » Costs for **enhanced stakeholder dialogue** and the resulting measures in project implementation should be recovered through tariffs;
- » Collaborative approaches involving civil society and local communities should be favoured and advocated for;
- » Joint solutions aimed at delivering better projects for the people and nature should be explored when required and/or desired by local stakeholders; and
- » Lessons learned and best practices should be monitored and systematically communicated.

We strongly believe that by directly involving local communities and by working together with civil society organisations, it is possible to deliver projects that:

- » Generate local value and respect nature protection and are thus more acceptable to the population;
- » Become legitimate through an objectively transparent and participatory process;
- » Bring local benefits because they are locally tailored; and
- » Are appropriate regarding the benefits achieved and the costs charged to grid tariffs.

A clear and robust regulatory framework enabling and requesting the above will ultimately deliver better projects.

We propose that a provision to recover costs for better projects is implemented into the proposed review of the “Regulation on the internal market for electricity”, Article 16.2:

*2. Tariffs shall grant appropriate incentives to transmission and distribution system operators, over both the short and long term, to increase efficiencies, including energy efficiency, foster market integration and security of supply. **They shall also (i) support investments and the related research activities; (ii) ensure recovery of costs for activities increasing active stakeholder participation and for the resulting measures; (iii) provide investment signals for both the transmission and distribution system network operators to develop their networks in order to meet foreseeable demand from the market; and (iv) facilitate maintenance and, where necessary, renewal of their networks.***

ANY QUESTION?

Contact us:

@ENTSO_E
info@entsoe.eu
+32 2 741 09 50
www.entsoe.eu

@RenewablesGrid
info@renewables-grid.eu
+49 30 7677 194 50
www.renewables-grid.eu
